MINUTES - REGULAR MEETING
SANTA MARIA CITY COUNCIL

CITY HALL COUNCIL CHAMBERS
SANTA MARIA, CALIFORNIA

NOVEMBER 15, 2016

CALL TO ORDER:
Mayor Patino called the meeting to order at 5:30 p.m.

ROLL CALL:
MEMBERS PRESENT
Councilmembers Boysen, Orach, Waterfield, Zuniga, and Mayor Patino.

MEMBERS ABSENT

STAFF MEMBERS PRESENT
City Manager Haydon, City Attorney Trujillo, and Chief Deputy City Clerk Garietz.

PUBLIC COMMENT:
There were no requests to speak.

RECESS:
Mayor Patino recessed to a Closed Session at 5:30 p.m. for Public Employee Performance Evaluation pursuant to Government Code Section 54957 and Conference with Labor Negotiators pursuant to Section 54957.6 of the Government Code with Agency Representative, Mayor; Title: City Attorney and City Manager; and 2) Conference with Labor Negotiators pursuant to Section 54957.6 of the Government Code, Agency Representative: City Manager, Employee Organizations: Service Employees International Union (SEIU) Local 620; Public Safety Managers; Santa Maria Police Association of Middle Management (SMPAMM); and Non-Represented Management and Confidential Employees.

INVOCATION:
Director of Community Development Appel gave the Invocation.

PLEDGE OF ALLEGIANCE TO THE FLAG:
Councilmember Boysen led the Pledge of Allegiance.

CALL TO ORDER:
Mayor Patino reconvened and called the meeting to order at 6:30 p.m.

ROLL CALL:
MEMBERS PRESENT
Councilmembers Boysen, Orach, Waterfield, Zuniga, and Mayor Patino.

STAFF MEMBERS PRESENT
City Manager Haydon, City Attorney Trujillo, Director of Human Resources & Records Anderson, Director of Community Development Appel, Fire Chief Champion, Director of Finance Harvey, Director of Public Works Kahn, Director of Recreation & Parks Posada, Director of Utilities Springer, Deputy City Manager Stilwell, Building Division Manager Cardona, Police Division Commander Greene, Community Programs Manager Narez, and Chief Deputy City Clerk Garietz.

CLOSED SESSION REPORT:
Following the Closed Session, the City Attorney reported that there was no reportable action for both Closed Session items.

1. PROCLAMATIONS/COMMENDATIONS/PRESENTATIONS:

A. PROCLAMATION – VETERAN'S HONOR WEEK
Mayor Patino presented a proclamation in honor of "Veteran's Honor Week." Ed Carcarey and Mike Stadnick accepted the proclamation on behalf of the Santa Maria Veterans, Veterans of Foreign Wars groups, and the Santa Maria Valley Chamber of Commerce.

B. INTRODUCTION OF THE NEW FIRE CHIEF
City Manager Haydon introduced Fire Chief Leonard Champion saying that Mr. Champion had started working with the City in 1990. His father had also been with the City of Santa Maria as a Reserve Fire Captain. In addition to his position as the City's Fire Chief, Mr. Champion teaches at Allan Hancock College, is involved with countywide delivery of medical services and is a member of the Santa Barbara County EMS Advisory Committee.

Chief Deputy City Clerk Garietz administered Chief Champion's Oath of Office and Mr. Champion's wife, Melody, pinned on his badge.

2. PUBLIC COMMENT PERIOD

W. Scott Burns, representing Donate Life, invited the City Council to come to the Rose Bowl December 30th to place a flower on the organization's parade float.

Jeannine Wade, representing the Santa Maria American Society for the Prevention of Cruelty to Animals, spoke against the sale of commercially bred dogs and cats in local pet stores saying that adoption from shelters is preferred in an effort to reduce the populations of perfectly adoptable animals being euthanized in shelters. She requested that Council place the item on the agenda for a future meeting.

Michelle Crook, owner of Animal Kingdom Pet Shop, spoke in opposition to banning commercially bred dogs and cats in local pet stores saying adoption of pets from shelters does not necessarily work out for everyone. Frequently, someone looking for pets on-line is scammed and loses their investment. In a store, the customer can come in and see that all the pets are cared for and exactly what circumstances they are coming from. Pets from pet stores are also under warrantee and a pet store is good business for the City as it brings in sales tax revenue.

Grace Verduzco reiterated that customers may be taken advantage of frequently with on-line pet purchases. She clarified that shelters will take back any animal that does not work out for a family and would never take advantage of a customer. She expressed her concern that USDA licensed pet sellers might not be qualified to sell the animals and frequently have no concern for animal welfare.

Adam Tipton, co-owner of Animal Kingdom Pet Shop, stated pet store owners acknowledge that puppy mills are not a good idea. He also said pets from pet stores are clearly well cared for and that he finds pets to sell from good families. He invited all 23 staff members of Animal Kingdom Pet Shop and some of the stores customers to stand in the audience.

Cristine Collier spoke of her surprise that pet stores were still selling puppies. She also mentioned that some stores charge a restocking fee if a puppy is returned and some customers sign up to finance or lease pets from stores. She asked Council to place the item on the agenda saying there was a lot to discuss on the topic.

Serina Cota, an employee with Animal Kingdom Pet Shop, recounted her successful history of obtaining her pets through the store saying the animals were always healthy and socialized. She spoke of the business as an asset to the City offering employment and learning experiences for people interested in animals.

Arthur Mogilefsky, an attorney, commented that the advocates for the ordinance prohibiting the sale of animals in pet shops were basing their request on a situation in Los Angeles where a pet population explosion became a threat to the safety and health of Los Angeles residents. The Polanco-Lockyer Pet Breeder Warranty Act preempts the City of Santa Maria from enacting a ban on pet sales. He stated he believed that any such ordinance would be a violation of the Constitution of the State of California as are the existing ordinances in Southern California cities. Mr. Mogilefsky indicated that if the Council outlawed the sale of animals from pet stores, they would also be required to ban the sales from backyard breeders.

Jeri Young spoke of her work with national organizations regarding puppy mills and said they were heart-wrenching. Pet stores do buy from puppy mills because there is a profit. There is never a guarantee that a puppy from a mill will be healthy. She proposed that an ordinance be created allowing pet stores to sell only animals from shelters. Volunteers would be used to do follow-up visits ensuring the animals are being well cared for in their new homes.

Cynthia Gudino, a Property Management Realtor, commented on the City's $4 million debt. Property at the corner of Stowell and Black Roads is currently being leased from the City for $150 per acre per month. However, the person leasing the property is actually sub-leasing it from someone else. She suggested the City lease it out directly. She encouraged the Council and staff to take a fresh look at the way some properties are being utilized.

City Manager Haydon commented that staff will contact Mr. Burns regarding Donate Life and the invitation to place a flower on the float at the Rose Bowl. He went on to say that the property at Stowell and Black Road is owned by the rate payers in the Water Fund. The General Fund could not take over the property without having to purchase the land from the Water Fund. He indicated that staff would bring something forward at a future meeting regarding the ASPCA issue once the new Council is seated.

3. CONSENT CALENDAR:
Councilmember Waterfield recused herself from voting on Item 3D (Warrants) due to a financial conflict of interest.

Consent Calendar Items 3A through 3H were approved (except Item 3D), on motion by Councilmember Orach, seconded by Councilmember Boysen, and carried on the following vote: 5-0

AYES: Councilmembers Boysen, Orach, Waterfield, Zuniga, and Mayor Patino
NOES: None
ABSENT: None
ABSTAIN: None

Consent Calendar Item 3D only (warrants) was approved, on motion by Councilmember Orach, seconded by Councilmember Boysen, and carried on the following vote: 4-0-1

AYES: Councilmembers Boysen, Orach, Zuniga, and Mayor Patino
NOES: None
ABSENT: None
ABSTAIN: Councilmember Waterfield

A. ORDINANCES
The reading in full of all ordinances and resolutions was waived. Ordinances on the Consent Calendar were adopted by the same vote cast at the first reading unless City Council indicated otherwise.

B. MINUTES
The Minutes of the Regular Meeting of the City Council of November 1, 2016, were approved as submitted.

C. BROADBAND NETWORK TELECOMMUNICATIONS AGREEMENT
Resolution No. 2016-137 was adopted adopt approving a Service Swap Agreement with Wave Division Holdings to construct Broadband Network Telecommunications.

Resolution No. 2016-137 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING A SERVICE SWAP AGREEMENT WITH WAVE BUSINESS SOLUTIONS, LLC.

D. WARRANTS
Warrant Nos. 203632 to 203932 totaling $1,946,031.46 were ordered ratified subject to having been certified as being in conformity with the budget and having been approved for payment by the Director of Finance. Warrant Nos. 196242, 198694, 203007, and 203496 were cancelled. Warrant Nos. 203351 to 203631 were resubmitted for Council's approval reflecting a corrected total of $2,438,275.06.

E. PAYROLL
Payment of payroll was ordered ratified subject to having been certified by the proper Department Heads, as shown on records on file in the Department of Finance and having been approved for payment by the Director of Finance.

F. GUADALUPE LIBRARY LEASE
Resolution No. 2016-138 was adopted approving a two (2) year extension of the Plaza Guadalupe Commercial Lease for the Guadalupe Library building commencing December 1, 2016, and ending November 30, 2018.

Resolution No. 2016-138 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, AUTHORIZING EXTENSION OF A COMMERCIAL LEASE BETWEEN THE CITY OF SANTA MARIA AND LUPE'S COMPANY FOR THE GUADALUPE LIBRARY BUILDING.

G. STREET NAME CHANGE FROM MERCURY DRIVE TO ELEMENT WAY
Resolution No. 2016-139 was adopted implementing a street name change from Mercury Drive to Element Way.

Resolution No. 2016-139 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, CHANGING THE STREET NAME OF MERCURY DRIVE TO ELEMENT WAY.

H. VEHICLE HEIGHT PARKING RESTRICTIONS
Resolution No. 2016-140 was adopted approving a parking restriction for vehicles over six (6) feet in height on sections of West Boone Street, West Cook Street, and Farnel Road, west of Blosser Road.

Resolution No. 2016-140 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, ADOPTING A PARKING RESTRICTION OF VEHICLES OVER SIX (6) FEET IN HEIGHT ON BOONE STREET, FARNEL ROAD, AND COOK STREET WEST OF BLOSSER ROAD, PURSUANT TO SECTION 22507 OF THE CALIFORNIA VEHICLE CODE.

PUBLIC HEARINGS

4. BLACK ROAD SUBDIVISION APPEAL.
Councilmember Waterfield indicated that she had a conflict of interest and would not be able to participate with this item. She left the Council Chambers at 7:19 p.m.

The City Council considered an appeal by Black Road Investments to overturn the Planning Commission's approval of a Tentative Parcel Map (TR5986-0001, Tract 5986) and the associated Addendum to the Area 9 Specific Plan Environmental Impact Report. On April 27, 2016, the Planning Commission voted (5-0) to approve the Tentative Parcel Map (TR5986-0001) and Addendum to the Area 9 Specific Plan Environmental Impact Report.

Community Development Director Appel gave a presentation as detailed in the Council Agenda Report. Black Road Investments has revised their business plan for the property from what was approved at the April 27, 2016, Planning Commission meeting. It is now in their best interest to process a two-way lot split and modify the Addendum. The appellant requested that Council overturn the Planning Commission's approval of the Tentative Parcel Map and associated Addendum in favor of a two-way lot split instead of the four-way lot split previously approved.

Appellant Comments
Mr. Diani stated that his company was in full agreement with staff's report.

Written communications
No written communications were received.

Public Hearing
Mayor Patino opened the public hearing at 7:25 p.m. and, having no requests to speak, closed the public hearing.

Council discussion
There was no Council discussion.

Resolution No. 2016-141 was adopted overturning the Planning Commission's approval of a four (4)-lot Tentative Parcel Map and Addendum to the Area 9 Specific Plan Environmental Impact Report at 1586 Black Road, on motion by Councilmember Boysen, seconded by Councilmember Zuniga, and carried on the following vote: 4-0

AYES:	Councilmembers Boysen, Orach, Zuniga, and Mayor Patino
NOES:	None
ABSENT:	Councilmember Waterfield
ABSTAIN:	None

Resolution No. 2016-141 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, TO OVERTURN THE PLANNING COMMISSION'S APPROVAL OF A FOUR (4) LOT TENTATIVE PARCEL MAP AND ADDENDUM TO THE AREA 9 SPECIFIC PLAN ENVIRONMENTAL IMPACT REPORT AT 1586 BLACK ROAD.

Councilmember Waterfield returned to the Council Chambers and dais at 7:26 p.m.

5. BARCELLUS SENIOR APARTMENTS GENERAL PLAN LAND USE MAP AND ZONING MAP AMENDMENTS FOR 502, 510, AND 524 EAST BARCELLUS AVENUE. The City Council considered recommendations of the Planning Commission to: 1) approve a Negative Declaration; 2) amend the General Plan Land Use Map designation of the 2.4 acre project site **FROM** CPO (Commercial/Professional Office) **TO** HDR-22 (High Density Residential); and 3) amend the Zoning Map for approximately 2.4 acres **FROM** CPO (Commercial/Professional Office) **TO** PD/R-3 (Planned Development/High Density Residential) zoning district. At its regular meeting on October 19, 2016, the Planning Commission voted 3-0-2 (Commissioners Andrade absent, Hernandez abstained) to

recommend that the City Council adopt resolutions approving the Negative Declaration and the General Plan Land Use Map and Zoning Map Amendments.

Community Development Director Appel gave a presentation as detailed in the Council Agenda Report. The property is a field located near Stowell and Miller on Barcellus Avenue. Most of the property surrounding it is zoned for Commercial/Professional Office. The Applicant would like to change that to High Density Residential. There were no findings of significance with the initial study. Senior housing would have considerably less traffic than the previously proposed medical center. No endangered plants, animals, or habitats were found on the property and air quality and greenhouse gases were all below threshold.

Originally, the proposal was to put three medical buildings on the site, but the applicant decided instead to do a planned development project for 80 senior rental apartments. There would be 60 one-bedroom units and 20 two-bedroom units, a 1,500 square foot Community Center, pool, spa, lawn bowling, and barbecue pits. The property would be within walking distance to many services. The three parcels would need to go through a lot merger prior to issuance of a building permit.

Applicant Comments
Brian Tetley, with Urban Planning Concepts (UPC), spoke on behalf of the Developer, Mark Fugate, saying that a year ago a neighborhood meeting took place and there were no negative comments regarding the project. Due to the expanded services of Marian Medical in the area, the Developer decided to change the project from medical use to senior housing.

Councilmember Zuniga asked how neighbors were notified about the neighborhood meeting that had taken place and where the meeting was held.

Brian Schwartz, with UPC, stated a community meeting was noticed to everyone within a 300 foot radius. One person came with a few questions, but UPC staff had not been contacted by the public with any concerns on the project.

Councilmember Boysen asked what the age restrictions would be on the housing.

Mr. Schwartz responded that the community would be a 55 years and up age group.
Councilmember Waterfield said she supported the project and, in particular, its location.

Councilmember Orach indicated he had met previously with the Mr. Fugate to discuss the project.

Written communications.
No written communications were received.

Public Hearing
Mayor Patino opened the public hearing at 7:36 p.m. and, having no requests to speak, closed the public hearing.

Council discussion
Councilmember Zuniga asked about the request to go to high density and if the project would be affordable housing.

Community Development Director Appel responded that current zoning allowed for 22 units per acre for senior housing. With the change to high density, 30 units per acre would be allowed. To place 80 units, bonus density was requested. The City agreed to allow some flexibility in setbacks. The units would rent at market rate.

Councilmember Zuniga suggested the additional eight units be affordable units in exchange for granting high density zoning.

Community Development Director Appel responded that the City's Housing Element offered no provisions for inclusionary housing. He indicated there would be affordable housing projects for seniors coming before the Council in the future, but that the City did not have the ability to require the developer to include affordable housing.

Councilmember Boysen commented that it had been his experience that housing should be designed with specific income levels in mind, but that inclusionary housing was a slippery slope in terms of success.

Resolution No. 2016-142 was adopted approving a Negative Declaration for General Plan Land Use and Zoning Map Amendment located at 502, 510, and 524 East Barcellus Avenue on motion by Councilmember Waterfield, seconded by Councilmember Zuniga, and carried on the following vote: 5-0

AYES: Councilmembers Boysen, Orach, Waterfield, Zuniga, and Mayor Patino
NOES: None
ABSENT: None
ABSTAIN: None

Resolution No. 2016-142 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING A NEGATIVE DECLARATION FOR A GENERAL PLAN LAND USE AND ZONING MAP AMENDMENT LOCATED AT 502, 510, AND 524 EAST BARCELLUS AVENUE.

Resolution No. 2016-143 to be adopted amending the Land Use Policy Map for approximately 2.4 acres, located at 502, 510, and 524 East Barcellus Avenue on motion by Councilmember Waterfield, seconded by Councilmember Zuniga, and carried on the following vote: 5-0

AYES: Councilmembers Boysen, Orach, Waterfield, Zuniga, and Mayor Patino
NOES: None
ABSENT: None
ABSTAIN: None

Resolution No. 2016-143 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, AMENDING THE LAND USE POLICY MAP FOR APPROXIMATELY 2.4 ACRES, LOCATED AT 502, 510, AND 524 EAST BARCELLUS AVENUE.

Ordinance No. 2016-23 to be introduced by title only for first reading and continued to the next meeting for second reading and adoption amending the Official Zoning Map on approximately 2.4 acres, located at 502, 510, and 524 East Barcellus Avenue on motion by Councilmember Waterfield, seconded by Councilmember Zuniga, and carried on the following vote: 5-0

AYES: Councilmembers Boysen, Orach, Waterfield, Zuniga, and Mayor Patino
NOES: None
ABSENT: None
ABSTAIN: None

Ordinance No. 2016-23 introduced. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, AMENDING THE OFFICIAL ZONING MAP ON APPROXIMATELY 2.4 ACRES, LOCATED AT 502, 510, AND 524 EAST BARCELLUS AVENUE.

6. TAX EQUITY AND FISCAL RESPONSIBILITY ACT (TEFRA) HEARING REGARDING APPROVAL OF THE ISSUANCE OF MULTI-FAMILY HOUSING REVENUE BONDS BY THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY FOR THE BENEFIT OF PEOPLES' SELF-HELP HOUSING CORPORATION AND THE VALENTINE COURT PROJECT. The City Council conducted a public hearing under the Tax Equity and Fiscal Responsibility Act (TEFRA) and, after offering an opportunity for public testimony, adopted a resolution approving the issuance of Bonds in the amount of $8,000,000 by the California Municipal Finance Authority (Authority) for the benefit of Peoples' Self-Help Housing Corporation to provide for the financing of the Valentine Court project.

Director of Finance Harvey gave a presentation as detailed in the Council Agenda Report. TEFRA requires that a public hearing be held by the governing body in the jurisdiction in which a project to be financed is located before the project financing is approved. Peoples' Self-Help Housing (PSHH) Corporation requested that the California Municipal Finance Authority (Authority) serve as the municipal issuer of bonds in an aggregate principal amount not to exceed $8,000,000 of tax-exempt revenue bonds. The proceeds of the bonds would be used for the acquisition, rehabilitation and improvement of a 35-unit, multi-family rental housing development (Valentine Court Apartments) located at 280 E. Newlove in the City of Santa Maria. The debt would be the sole responsibility of PSHH and the City of Santa Maria would not bear any responsibility on repayment. The City of Santa Maria is required to enter into an agreement with the Authority in order for the Authority to issue the bonds. The City could, at any time, withdraw from the Authority following the issuance of the bonds.

Written communications
There were no written communications.

Public hearing
Mayor Patino opened the public hearing at 7:45 p.m., and having no requests to speak, closed the public hearing.

Council discussion.
There was no Council discussion.

Resolution No. 2016-144 was adopted approving, authorizing, and directing execution of a Joint Exercise of Powers Agreement relating to the California Municipal Finance Authority and approving the issuance of revenue bonds by the Authority for the purpose of financing or refinancing the acquisition and rehabilitation of certain facilities for the benefit of Valentine Court, L.P., or an affiliate thereof, on motion by Councilmember Boysen, seconded by Councilmember Orach, and carried on the following vote: 5-0

AYES:	Councilmembers Boysen, Orach, Waterfield, Zuniga, and Mayor Patino
NOES:	None
ABSENT:	None
ABSTAIN:	None

Resolution No. 2016-144 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA APPROVING THE ISSUANCE OF MULTI-FAMILY HOUSING REVENUE BONDS BY THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY (CMFA) FOR THE PURPOSE OF FINANCING OR REFINANCING THE ACQUISITION AND REHABILITATION OF CERTAIN FACILITIES FOR THE BENEFIT OF VALENTINE COURT, L.P., OR AN AFFILIATE THEREOF

REGULAR BUSINESS

7. 2016 BUILDING CODE UPDATES. The City Council considered a proposed ordinance amending various Chapters of Title 9 of the Santa Maria Municipal Code to adopt the 2016 Editions of the California Building Code, Plumbing Code, Electrical Code, Mechanical Code, Historical Building Code, Green Building Standards Code, Residential Code, Energy Code and the Existing Building Code; and amend certain portions of the 2016 Editions of these codes.

Building Division Manager Mike Cardona gave a presentation as detailed in the Council Agenda Report summarizing that one of the outdated sections of the California Building Code was the section on mobile homes. This section had been repealed in favor of adopting applicable State Law. New Chapter 9-19 was added to Title 9 regarding vehicle electric charging stations.

Public input
There were no requests to speak.

Council discussion
There was no Council discussion.

Ordinance No. 2016-24 to be introduced by title only for first reading, and continued to the next meeting for second reading and adoption, amending Chapters 9-1, 9-2, 9-4, and 9-12 and adding Chapter 9-19 to Title 9 of the City of Santa Maria Municipal Code concerning Building Regulations, on motion by Councilmember Zuniga, seconded by Councilmember Orach, and carried on the following vote: 5-0

AYES:	Councilmembers Boysen, Orach, Waterfield, Zuniga, and Mayor Patino
NOES:	None
ABSENT:	None
ABSTAIN:	None

Ordinance No. 2016-24 adopted. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA AMENDING CHAPTERS 9-1, 9-2, 9-4, AND 9-12 AND ADDING CHAPTER 9-19 TO TITLE 9 OF THE CITY OF SANTA MARIA MUNICIPAL CODE CONCERNING BUILDING REGULATIONS.

8. PRIORITIZATION OF COMMUNITY DEVELOPMENT BLOCK GRANT CAPITAL PROJECT PROPOSALS. Councilmember Boysen indicated that he had a conflict of interest with this item because his employer, Good Samaritan Shelter, was one of the applicants requesting funding, and left the Chambers for the deliberations at 7:50 p.m.

The City Council considered the prioritization of the Capital project requests for Fiscal Year 2017-18 Community Development Block Grant (CDBG) funding to provide the Block Grants Advisory Committee and participating applicants with direction.

Community Programs Manager Narez gave a presentation as detailed in the Council Agenda Report. On October 4, 2016, the Council approved changes to the CDBG funding process including an increase minimum Public Services allocation to $10,000; retaining $25,000 in Public Service allocations for Council distribution; and the revision of the Capital project submittal process. The deadline for proposals was October 25, 2016. Staff received 13 qualified requests for funding totaling over $2.4 million dollars. It is expected that the City will receive approximately $1.3 million from the Department of Housing and Urban Development. Staff also anticipates having approximately $900,000 for Capital funding.

The City submitted two projects: 1) Recreation and Parks Department – Construction of Cotta Park, $366,221; and 2) Code Compliance Division – Alley Reconstruction, $222,710.

Two proposals were received that pertain to City properties that outside agencies are serving as subrecipients: 1) Santa Maria Valley Historical Society and Museum – Building Rehabilitation, $285,000; and 2) Good Samaritan Shelter – 607 W. Cook Street Rehabilitation, $275,000.

Nine other requests were received from outside agencies: 1) Peoples' Self-help Housing (PSHH) – Acquisition/Senior Cottages, $651,853; 2) Boys & Girls Club – Office Rehabilitation, $200,000; 3) Make It Your Business (MIYB) – Microenterprise/Job Training, $100,000; 4) Transitions Mental Health Group – Rehabilitation of various homes, $90,235; 5) Community Action Partnership – Home Rehab Repair, $85,000; 6) Camp Fire Central Coast – Low Ropes Course, $70,000; 7) OPTIONS/SMILE – Rehabilitation of Alvin House, $35,000; 8) GRID Alternatives – Solar Program, $25,000; and 9) Women's Economic Ventures – Microenterprise/Job Training, $25,000.

It was mentioned and discussed that in some cities it is customary for Capital funding to be used for only city projects. Staff requested that Council decide if they would prefer to prioritize City-related projects over other Capital project submittals and, if so, which projects are the highest priority.

Public input
Morgen Benevedo, representing PSHH, commented on how helpful the funding would be for PSHH and their cause building affordable housing.

Beth Anna Cornett, representing PSHH, spoke about Sierra Madre Cottages (a 40-unit affordable senior housing project). The project design features a community center and will be supportive of veterans. The age restriction would be 62 years old and older.

Council discussion and direction
Councilmember Orach commented that he supported making City projects the priority.

Councilmember Zuniga stated that her priorities would be: 1) Cotta Park; 2) Good Samaritan project; and 3) Make It Your Business (MIYB) job training.

Councilmember Waterfield stated her priorities: 1) Cotta Park; 2) Alley Rehabilitation project; 3) Peoples' Self-Help Housing project; and 4) Boys and Girls Club.

Councilmember Orach stated his priorities: 1) Cotta Park; 2) Historical Society and Museum roof repair; and 3) Good Samaritan project.

Mayor Patino stated her priorities: 1) Cotta Park; 2) Good Samaritan Shelter project; and 3) Alley Construction and/or the Historical Society.

Community Programs Manager Narez recommended that the organizations under consideration be invited to submit applications.

City Manager Haydon summarized the consensus of the Council to fund Cotta Park at $366,000 and Good Samaritan Shelter at $275,000, leaving $258,000 for the Block Grant Advisory Committee to make recommendations to the Council on funding allocations, keeping in mind Council's interest in

the Alley Project, MIYB, and the Historical Society project. Each organization would be requested to complete the full application process for the Block Grants Advisory Committee to determine the distribution of the balance of funds.

Councilmember Boysen returned to the Chambers and the dais at 8:06 p.m.

9. FINANCIAL REPORT FOR THE FIRST QUARTER ENDING SEPTEMBER 30, 2016. The City Council received the Quarterly Financial Report for the First Quarter of 2016-17; and considered Budget Amendments to the 2016-17 fiscal year.

Director of Finance Harvey gave a presentation as detailed in the Council Agenda Report. The beginning General Fund balance of $10,122,000 is the unaudited balance as of July 1, 2016. For the first quarter of the year, sales tax receipts were $1.3 million greater than this time last year. However, this increase is due to the end of the "triple-flip" where ¼ of sales tax revenues were retained by the State to guarantee their bond payment and, later in the year, the State reimbursed the City through property tax revenues meant for the schools. So, if you take the "triple-flip" into consideration, this year's first quarter sales tax receipts were only $111,500 greater when compared to the first quarter of 2015.

NHIS revenues were at 96.7 percent of budget, reflecting an increase of more than 200 percent from last year. This significant increase is due primarily to Windset Farms and their recent excavation project. However, an unusually wet winter or decline in oil prices could significantly impact NHIS revenues.

Permit revenue was at 25.9 percent of budget, $105,990 greater than last year at this time.

Expenditures were at 23 percent of budget and currently on course to realize a $1.8 million in salary savings included in the 2016-18 budget to help address the budget deficit. However, expenditures were still on track to exceed revenue estimates by at least $2 million.

With regard to Measure U, revenues for the first quarter were at 24.4 percent, and expenditures at 24.3 percent of budget. Roughly 94 percent of all expenditures were public safety related. In the Enterprise Fund, Water and Wastewater expenditures exceeded revenues by nearly $1.3 million. Expenditures included the semi-annual debt service payment of $3.8 million for the 2012 AB Refunding Bonds. The remaining interest portion will be paid in the third quarter. In the Solid Waste fund, expenditures exceeded revenues by $201,000.

Staff is recommending nine budget amendments be included with the approval of the first quarter financial report.

Public input
There were no requests to speak.

Council discussion
Councilmember Boysen asked City Manager Haydon to confirm the budget amendments had been presented to Union representatives.

City Manager Haydon confirmed that the Human Resources Department had the conversation with SEIU representatives and that the proposed increases were to meet the State-mandated minimum wage increase.

Resolution No. 2016-145 was adopted approving budget amendments to the 2016-17 fiscal year and authorizing the City Manager to implement same, on motion by Councilmember Orach, seconded by Councilmember Waterfield, and carried on the following vote: 5-0

AYES:	Councilmembers Boysen, Orach, Waterfield, Zuniga, and Mayor Patino
NOES:	None
ABSENT:	None
ABSTAIN:	None

Resolution No. 2016-145 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING AMENDMENTS TO THE 2016-17 BUDGET AND AUTHORIZING THE CITY MANAGER TO IMPLEMENT SAME

REPORT BY CITY MANAGER:
City Manager Haydon reported the next meeting would be December 6, 2016, and would include several presentations to retiring City staff (Zeke Moreno, Bob Mathews, Clark Cashmore, and Larry Appel) as well as Assemblyman Katcho Achadjian. Congresswoman Capps may be receiving a commendation on December 20th, as well. There will also be the second readings of the Ordinances introduced this evening, a joint use agreement with the Joint Union High School District for use of facilities, the Growth Mitigation Fees Compliance Report, and Public Hearings for the Hancock Terrace Traffic Mitigation Fee payments and the Residences at the Depot Street Project, along with 2016 Updates to the City's Fire Code.

ORAL REPORTS OF COUNCILMEMBERS AND OFFICERS (INCLUDING AB1234 REPORTS):
Councilmember Boysen reported that he attended a meeting with the C3H committee. He also thanked fellow Councilmembers for attending a recent Good Samaritan Volunteer Recognition Luncheon. He announced discussions were continuing regarding the re-acquisition of Table A State water.

Councilmember Orach did not make a report, but did recognize the Recreation and Parks Department for the successful Celebration of Life Luncheon honoring City residents 90 years and older.

Councilmember Waterfield reported that she attended the Veteran's Treatment Court; the Marine Corps 241st Birthday Celebration; the Celebration of Life Luncheon for residents 90 years and older; the Chamber of Commerce Veteran's Luncheon; the Good Samaritan Volunteer Recognition Luncheon; a Downtown Committee Meeting; the Michael Clayton Annual Veteran's barbecue; and assisted with the Fill the Boot fundraiser.

Councilmember Zuniga reported that she attended the Santa Barbara Foundation's Celebrate Philanthropy Luncheon; met with the airport mobile home owners; volunteered at the Special Olympics Dinner; attended a United Domestic Workers training; attended the Good Samaritan Volunteer Recognition Luncheon; co-hosted the North County Rape and Child Protection Services 24th Annual Fundraiser; observed the interviews for the Community Outreach Coordinator position; and she announced that the County Supervisors would be holding a public hearing on Monday, December 5th from 6:00 p.m. to 8:00 p.m. at the Centeno Government Center regarding farmworker conditions.

Mayor Patino reported that she attended the APCD Board Meeting; the Santa Barbara Foundation's Celebrate Philanthropy Luncheon; the Econ Alliance Future Forum and Annual Dinner; the Veteran's Treatment Court graduation; the Celebration of Life Lunch; the Salute to Veterans; Santa Maria High School's staff appreciation dinner; the Good Samaritan Volunteer Recognition Luncheon; the Veteran's Day barbecue; the Fill the Boot fundraiser; the New Hope Missionary Baptist Church outreach; spoke on the Ben Heighes radio show; and attended the Outreach Coordinator Interviews.

ADJOURNMENT:
There being no further business before the City Council, Mayor Patino declared the City Council meeting adjourned at 8:26 p.m.

APPROVED:

December 6, 2016
Date

Rhonda M. Garietz, CMC
Chief Deputy City Clerk and ex officio Clerk of the City Council

Alice M. Patino
Mayor of the City of Santa Maria

ATTEST:

Rhonda M. Garietz, CMC
Chief Deputy City Clerk